QUALITY ASSURANCE AND THE SINKING OF THE LARGEST OFFSHORE OIL PLATFORM

March 2001

For those of you who may be involved in project cost control (at whatever level),

please read this quote
from a Petrobras
executive,

extolling the benefits
of cutting quality
assurance and
inspection costs,

on the project that
sunk into the
Atlantic Ocean off
the coast of Brazil
in March 2001.

"Petrobras has established new global benchmarks for the generation of exceptional shareholder wealth

through an aggressive and innovative programme of cost cutting on its P36 production facility

Conventional constraints have been successfully challenged

and replaced with new paradigms appropriate to the globalised corporate market place.

Through an integrated network of facilitated workshops,

the project successfully rejected the established constricting and negative influences of prescriptive engineering,

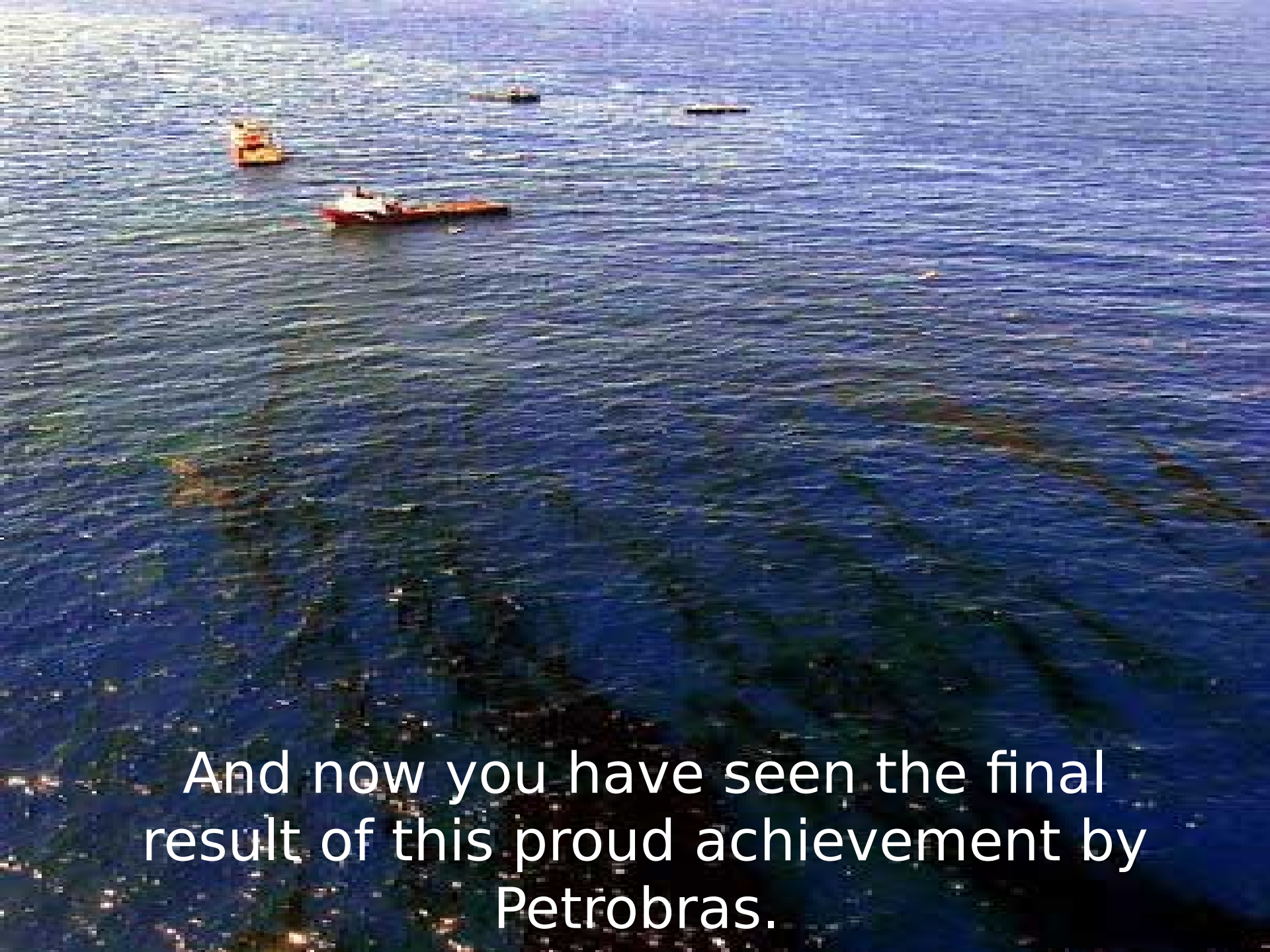
onerous quality requirements,
and outdated concepts of
inspection and client control.

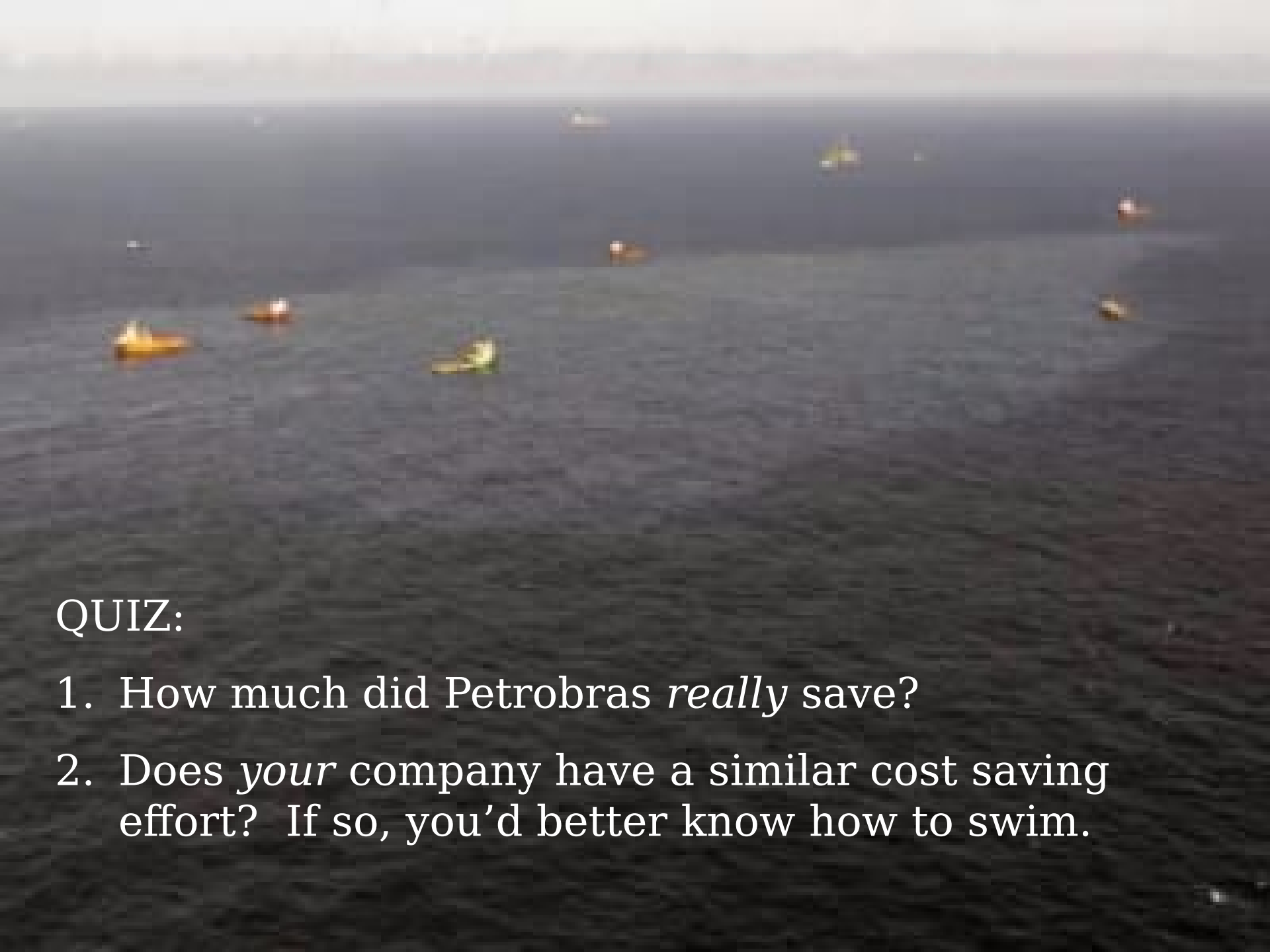
Elimination of these unnecessary straitjackets has empowered the project's suppliers and contractors to propose highly economical solutions

with the win-win bonus of
enhanced profitability margins
for themselves.

The P36 platform shows the shape of things to come

in unregulated global market economy of the 21st Century.“


And now you have seen the final result of this proud achievement by Petrobras.



QUIZ:

1. How much did Petrobras *really* save?
2. Does *your* company have a similar cost saving effort? If so, you'd better know how to swim.